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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, SEPTEMBER 9, 1999

APPLICATION OF

B & J ENTERPRISES, L.C.

CASE NO. PUE990616

For a certificate of public
convenience and necessity to
operate a sewerage utility

ORDER DOCKETING CASE AND SUSPENDING RATES

Under cover of a letter dated August 26, 1999, the Superintendent of B & J Enterprises, L.C., ("B & J" or "Company") submitted an application and several exhibits to Marc Tufaro of the Commission's Division of Energy Regulation requesting the issuance of a certificate of public convenience and necessity to operate a sewerage utility. On September 2, 1999, Mr. Tufaro caused the letter and exhibits to be filed in the Clerk's office. We will docket the case as now filed.

B & J has provided sewerage utility services to residential customers in and around the Blacksburg Country Club, near the community of Ellett, Montgomery County, Virginia.

Attached to the application is the Company's proposed schedule of rates and terms and conditions of service. The Company proposes a sewerage service charge for residential customers of \$34 per month. It also proposes to charge potential customers a fee of \$17,500 for service connections,

and a fee of \$5,000 for reconnections upon suspension of service for violation of any of its proposed rules.

Pursuant to our authority under Chapter 10.1 of Title 56, and under § 56-247, of the Code of Virginia ("Va. Code"), we will direct our Staff to conduct an investigation of the application and to submit its findings in a report to be filed with the Commission. Any of the Company's regulations, measurements, practices, acts or services found to be unjust, unreasonable, insufficient, preferential, unjustly discriminatory, or otherwise in violation of law shall be replaced. Pursuant to Va. Code § 56-240, the rates and charges of B & J, except as modified below, may be implemented subject to refund with interest pending the conclusion of the Staff investigation ordered herein.

Based upon the application and the affidavit of Mr. Tufaro, the Commission will, pursuant to the authority granted us by Va. Code § 56-238, suspend the implementation of B & J's proposed service connection fee, which so far exceeds similar fees charged by other water and sewer utilities operating under like conditions that it does not appear to be reasonable, to the extent that fee exceeds \$3,000, for 150 days from September 2, 1999, the date of the filing herein. We will permit the Company to charge no more than \$3,000 for any service connection during the suspension period.

The Commission will suspend the proposed \$5,000 service reconnection fee altogether for a period of 150 days from September 2, 1999. If the investigation herein has not concluded by January 30, 2000, i.e., by 150 days from the date of the filing herein, the Company may impose its proposed fees for service connection and reconnection. However, the Company is cautioned that any fee it charges for service connection and reconnection shall be subject to refund, should investigation reveal either to be above the Company's just and reasonable cost of service.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed and assigned Case No. PUE990616.
- (2) The Commission Staff shall investigate the application and submit a report of its findings on or before January 15, 2000.
- (3) The Company may implement its proposed rates, terms and conditions subject to refund with interest as set forth herein, except that the Company's proposed service connection fee is suspended for a period of 150 days from the date of this order and shall not be implemented, to the extent it exceeds \$3,000, and the proposed reconnection fee is suspended altogether for a like period, through January 30, 2000.

(4) On or before October 1, 1999, B & J shall provide the following notice to its customers, and to the Chairman of the Board of Supervisors of Montgomery County, Virginia:

NOTICE OF APPLICATION FOR ISSUANCE OF A
CERTIFICATE OF PUBLIC CONVENIENCE AND
NECESSITY BY B & J ENTERPRISES, L.C.

On August 26, 1999, B & J Enterprises, L.C., ("B & J" or "Company") submitted its application to the State Corporation Commission for the issuance of a certificate of public convenience and necessity to provide sewerage utility service to customers in an area around the Blacksburg Country Club, near Ellett, Montgomery County, Virginia. The Commission has docketed the application and assigned it Case No. PUE990616.

The Company proposes to charge \$34 per month for its services to residential customers. It further proposes to charge \$17,500 for service connection fees and \$5,000 for reconnection of service if disconnected for violation of any of its proposed rules of service. The Commission, by order, has suspended implementation of the reconnection fee, and implementation of all but \$3,000 of the connection fee for 150 days.

Anyone wishing to submit comments to the Commission or to request hearing on B & J's application may do so by sending a comment or request in writing to the Joel H. Peck, Clerk of the Commission, P.O. Box 2118, Richmond, Virginia 23218, and referring to Case No. PUE990616, on or before November 15, 1999. A copy of the application may be reviewed in the Company's offices at 3807 Brandon Avenue, S.W., Suite 245, Roanoke, Virginia; the Montgomery-Floyd Regional Library, 200 Miller Street, Blacksburg, Virginia; or

in the Commission's Document Control Center,
First Floor, Tyler Building, 1300 East Main
Street, Richmond, Virginia, during regular
business hours.

B & J ENTERPRISES, L.C.

(5) On or before November 1, 1999, the Company shall
submit proof of service of this notice.